

CIVIL COVER SHEET

03-00045

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

SAITUREX GUAM INVESTMENT CO. LTD.

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF Guam
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
Carlos L. Taitano
La Casa de Colina, Third Floor
200 Chichirica Street
Tamuning, GU 96913 (671)647-3387

DEFENDANTS

GOVERNMENT OF GUAM

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT Guam
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

ATTORNEYS (IF KNOWN) Office of the Attorney
General of Guam (671)475-3324
Guam Judicial Center, Suite 2-200E
120 W. O'Brien Dr., Hagatna, GU 96910

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY)

- ☐ 1 U.S. Government Plaintiff
☒ 2 U.S. Government Defendant
(GOV'T OF GUAM)
☐ 3 Federal Question
(U.S. Government Not a Party)
☐ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- | | | | |
|----------------------------|----------------------------|----------------------------|----------------------------|
| PTF | DEF | PTF | DEF |
| <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |
- Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
Incorporated or Principal Place of Business in This State
Incorporated and Principal Place of Business in Another State
Foreign Nation

IV. NATURE OF SUIT (PLACE AN "X" IN ONE BOX ONLY)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury — Med. Malpractice <input type="checkbox"/> 365 Personal Injury — Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 680 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 750 Other Labor Litigation <input type="checkbox"/> 761 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS — Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 5410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 280 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence HABEAS CORPUS: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition		

V. ORIGIN

(PLACE AN "X" IN ONE BOX ONLY)

- ☒ 1 Original Proceeding
☐ 2 Removed from State Court
☐ 3 Remanded from Appellate Court
☐ 4 Reinstated or Reopened
☐ 5 Transferred from another district (specify)
☐ 6 Multidistrict Litigation
☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

(CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY.)

26 U.S.C. §7422 Complaint for Refund of Guam Territorial Income Tax

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 ☐

DEMAND \$360,516 plus interest

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ YES ☒ NO

VIII. RELATED CASE(S) (See Instructions): IF ANY

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

12/29/03

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

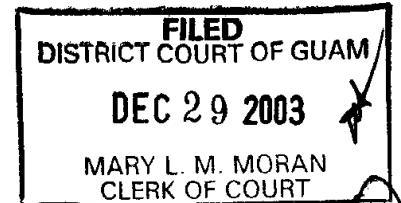
RECEIVED

DEC 29 2003

JUDGE

MAG. JUDGE

Carlos L. Taitano
Carlos Lujan Taitano, P.C.
La Casa de Colina, Third Floor
200 Chichirica Street
Tamuning, GU 96913-4217
Tel: (671) 647-3387
Fax: (671) 647-3388



Attorney for Plaintiff

IN THE DISTRICT COURT OF GUAM

SAITUREX GUAM INVESTMENT CO. LTD.,)	CIVIL CASE NO. 03-00045
)	
Plaintiff,)	COMPLAINT FOR REFUND OF GUAM
)	TERRITORIAL INCOME TAX
v.)	
)	
GOVERNMENT OF GUAM,)	
)	
Defendant.)	
)	

Comes now the Plaintiff, SAITUREX GUAM INVESTMENT CO. LTD.,
and for the Plaintiff's cause of action alleges that:

1. This Court has jurisdiction to hear this action pursuant
to 48 U.S.C. §1421i(h).

2. The Plaintiff is a Guam corporation whose taxpayer or
employer identification number is: 98-0018893, and whose current
mailing address is: c/o Deloitte & Touche LLP, 361 South Marine
Drive, Tamuning, GU 96913.

3. On February 11, 2003, the Plaintiff duly changed its name
from: "Sun Motoyama International Guam, Inc.," to: "SAITUREX GUAM
INVESTMENT CO. LTD."

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4. The Defendant is the government of the unincorporated territory of the United States of America pursuant to 48 U.S.C. §1421a.

5. This is an action for the recovery of the Guam Territorial Income Tax (the "GTIT") erroneously or illegally assessed or collected by the Defendant, or paid by the Plaintiff, plus interest.

6. Recovery is sought of the GTIT overpaid by the Plaintiff in the amount of \$360,516.00 for the taxable year ending July 31, 1999.

7. On February 29, 2000, the Plaintiff timely filed with the Department of Revenue and Taxation, Government of Guam the "1998 Guam Corporation Income Tax Return" of the Plaintiff for the tax year ending July 31, 1999, timely claiming a refund of the overpaid GTIT in the amount of \$360,516.00 (the "1998 Form 1120"), a copy of which is attached hereto and incorporated herein by this reference.

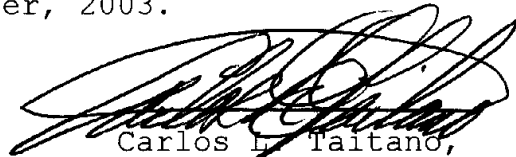
8. Based upon the 1998 Form 1120, the Plaintiff not only paid the GTIT, but also actually overpaid the GTIT to the Defendant, and the Defendant actually collected the GTIT from the Plaintiff, in the amount of \$360,516.00.

9. More than six months have elapsed since the timely filing of the 1998 Form 1120 timely claiming the refund of the GTIT in the amount of \$360,516.00, and no other action has been taken thereon.

10. The Defendant failed or refused, and continues to fail or refuse, to refund the GTIT that was claimed as overpaid by the Plaintiff and described in this Complaint.

Wherefore, the Plaintiff demands judgment in the amount of \$360,516.00, plus interest, attorney's fees and costs pursuant to 26 U.S.C. §7430, and such other relief as the Court may deem just.

Dated this 29th day of December, 2003.

A handwritten signature in black ink, appearing to read 'Carlos L. Taitano', is written over the typed name.

Carlos L. Taitano,
Attorney for Plaintiff

GUAM

Form 1120

U. S. Corporation Income Tax Return

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

For calendar year 1998 or tax year beginning 8/01, 1998, ending 7/31, 1999

1998

Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

A Check if a:

- 1 Consolidated return (attach Form 851) ☐
- 2 Personal holding co. (attach Sch. PH) ☐
- 3 Personal service corp. (as defined in Temporary Regs. sec. 1.441-4T; see instructions) ☐

Use IRS label. Otherwise, please print or type.

SUN MOTOYAMA INTERNATIONAL GUAM, INC.
P.O. BOX 8139
TAMUNING, GU 96931

B Employer identification number

98-0018893

C Date incorporated

5/23/74

D Total assets (see page 5 of instructions)

E Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change of address

\$ 5,480,615

INCOME	1a	Gross receipts/sales	1,364,618	b	Less returns & allowances		c	Balance	1c	1,364,618
	2	Cost of goods sold (Schedule A, line 8)					2	809,140		
	3	Gross profit. Subtract line 2 from line 1c					3	555,478		
	4	Dividends (Schedule C, line 19)					4			
	5	Interest	SEE STATEMENT	1	5	256,176				
	6	Gross rents					6			
	7	Gross royalties					7			
	8	Capital gain net income (attach Schedule D (Form 1120))					8			
	9	Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)					9	-46,276		
	10	Other income (see page 6 of instructions - attach schedule)	SEE STATEMENT	2	10	67,336				
	11	Total income. Add lines 3 through 10					11	832,714		
DEDUCTIONS	12	Compensation of officers (Schedule E, line 4)				12	36,000			
	13	Salaries and wages (less employment credits)				13	345,046			
	14	Repairs and maintenance				14	566			
	15	Bad debts				15				
	16	Rents				16	148,869			
	17	Taxes and licenses	SEE STATEMENT	3	17	84,200				
	18	Interest				18	624			
	19	Charitable contributions (see page 8 of instructions for 10% limitation)	SEE STATEMENT	4	19	0				
	20	Depreciation (attach Form 4562)	20	18,170						
	21	Less depreciation claimed on Schedule A and elsewhere on return	21a		21b	18,170				
	22	Depletion				22				
	23	Advertising				23	177,807			
	24	Pension, profit-sharing, etc., plans				24	35,107			
	25	Employee benefit programs				25	100			
	26	Other deductions (attach schedule)	SEE STATEMENT	5	26	289,507				
	27	Total deductions. Add lines 12 through 26				27	1,135,996			
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11				28	-303,282			
29	Less: a Net operating loss deduction (see page 9 of instr.)	29a								
	b Special deductions (Schedule C, line 20)	29b			29c					
TAX AND PAYMENTS	30	Taxable income. Subtract line 29c from line 28				30	-303,282			
	31	Total tax (Schedule J, line 12)				31	0			
	32	Payments:								
	a	1997 overpayment credited to 1998	32a	360,516						
	b	1998 estimated tax payments	32b							
	c	Less 1998 refund applied for on Form 4466	32c							
	d	Balance	32d	360,516						
	e	Tax deposited with Form 7004	32e							
	f	Credit for tax paid on undistributed capital gains (attach Form 2439)	32f							
	g	Credit for Federal tax on fuels (attach Form 4136). See instructions	32g			32h	360,516			
33	Estimated tax penalty (see page 10 of instructions). Check if Form 2220 is attached				33					
34	Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed				34					
35	Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid				35	360,516				
36	Enter amount of line 35 you want: Credited to 1999 estimated tax				36	360,516				

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer *David L. Welch*

Date 2/1/2000

Title GENERAL MANAGER

Paid Preparer's Use Only

Preparer's signature DAVID L. WELCH

Date 1/31/00

Check if self-employed ☐

Preparer's social security number P00049120

Firm's name (or yours, if self-employed) and address DELOITTE & TOUCHE LLP
361 SOUTH MARINE DRIVE
TAMUNING, GUAM, --

EIN 98-0047535

ZIP code 96911

KFA

GUAM

Schedule A Cost of Goods Sold (See page 10 of instructions.)

1	Inventory at beginning of year	1	538,837
2	Purchases	2	710,038
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	Total. Add lines 1 through 5	6	1,248,875
7	Inventory at end of year	7	439,735
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	809,140

9a Check all methods used for valuing closing inventory:

(I) ☐ Cost as described in Regulations section 1.471-3

(II) ☒ Lower of cost or market as described in Regulations section 1.471-4

(III) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (If checked, attach Form 970) ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d ☐

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No

If "Yes," attach explanation

Schedule C Dividends and Special Deductions (See page 11 of instructions.)

	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)		70	
2 Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3 Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instr.	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8 Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9 Total. Add lines 1 through 8. See page 12 of instructions for limitation			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11 Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13 Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15 Foreign dividend gross-up (section 78)			
16 IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17 Other dividends			
18 Deduction for dividends paid on certain preferred stock of public utilities			
19 Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1			
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1			

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
CHOICHIRO MOTOYAMA	219-04-1007	50 %	0.01%	0.00%	18,000
RYOHEI ONOE		50 %	0.01%	0.00%	18,000
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers					36,000
3 Compensation of officers claimed on Schedule A and elsewhere on return					
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 1					36,000

Schedule J Tax Computation (See page 13 of instructions.)

1 Check if the corporation is a member of a controlled group (see sections 1561 and 1563) <input type="checkbox"/>			
Important: Members of a controlled group, see instructions on page 13.			
2a If box on line 1 is checked, enter corp's share of \$60,000, \$25,000, & \$9,925,000 taxable inc brackets (in that order):			
(1) \$	(2) \$	(3) \$	
b Enter the corporation's share of: (1) Additional 5% tax (not more than \$11,750)		\$	
(2) Additional 3% tax (not more than \$100,000)		\$	
3 Income tax. Check if a qualified personal service corporation under section 448(d)(2) (see page 13) <input type="checkbox"/>		3	0
4a Foreign tax credit (attach Form 1118)		4a	0
b Possessions tax credit (attach Form 5735)		4b	
c Check: <input type="checkbox"/> Nonconventional source fuel credit			
<input type="checkbox"/> QEV credit (attach Form 8834)		4c	
d General business credit. Enter here & check which forms are attached: <input type="checkbox"/> 3800			
<input type="checkbox"/> 3468 <input type="checkbox"/> 5884 <input type="checkbox"/> 6478 <input type="checkbox"/> 6765 <input type="checkbox"/> 8586 <input type="checkbox"/> 8830 <input type="checkbox"/> 8826			
<input type="checkbox"/> 8835 <input type="checkbox"/> 8844 <input type="checkbox"/> 8845 <input type="checkbox"/> 8846 <input type="checkbox"/> 8820 <input type="checkbox"/> 8847 <input type="checkbox"/> 8861		4d	
e Credit for prior year minimum tax (attach Form 8827)		4e	
5 Total credits. Add lines 4a through 4e.		5	
6 Subtract line 5 from line 3		6	
7 Personal holding company tax (attach Schedule PH (Form 1120))		7	
8 Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8811		8	
9 Alternative minimum tax (attach Form 4626)		9	
10 Add lines 6 through 9		10	
11 Qualified zone academy bond credit (attach Form 8860)		11	
12 Total tax. Subtract line 11 from line 10. Enter here & on line 31, page 1		12	0

Schedule K Other Information (See page 15 of instructions.)

	Yes	No		Yes	No
1 Check method of accounting:			7 Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.)		X
a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual			If "Yes," attach Form 5471 for each such corporation.		
c <input type="checkbox"/> Other (specify) <u> </u>			Enter number of Forms 5471 attached <u> </u>		
2 See page 17 of the instructions and state the principal:			8 At any time during the 1998 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country?		X
a Business activity code no. (NEW) <u>448150</u>			If "Yes," the corporation may have to file Form TD F 90-22.1.		
b Business activity <u>SALES</u>			If "Yes," enter name of foreign country <u> </u>		
c Product or service <u>APPAREL & ACCES</u>			9 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?		X
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)		X	If "Yes," the corporation may have to file Form 3520		
If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			10 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes,"		X
4 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?		X	a Enter percentage owned <u>49.99%</u>		
If "Yes," enter employer identification number and name of the parent corporation <u> </u>			b Enter owner's country <u>JAPAN</u>		
5 At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).)		X	c The corporation may have to file Form 5472.		
If "Yes," attach a schedule showing name and identifying no. (Do not include any information already entered in 4 above.)			Enter number of Forms 5472 attached <u>3</u>		
Enter percentage owned <u> </u>			11 Check this box if the corporation issued publicly offered debt instruments with original issue discount		<input type="checkbox"/>
6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.)		X	If so, the corporation may have to file Form 8281.		
If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.			12 Enter the amount of tax-exempt interest received or accrued during the tax year		\$ <u> </u>
			13 If there were 35 or fewer shareholders at the end of the tax year, enter the number <u>5</u>		
			14 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here		<input checked="" type="checkbox"/>
			15 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.)		\$ <u> </u>

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		931,217		522,536
2a	Trade notes and accounts receivable	70,945		19,273	
b	Less allowance for bad debts	()	70,945	()	19,273
3	Inventories		538,837		439,735
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach sch.) SEE ST...6		2,442,174		3,219,219
7	Loans to stockholders				
8	Mortgage and real estate loans				
9	Other investments (attach sch.)				
10a	Buildings and other depreciable assets	568,448		567,025	
b	Less accumulated depreciation	(126,001)	442,447	(204,478)	362,547
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach schedule) SEE ST...7		1,071,305		917,305
15	Total assets		5,496,925		5,480,615
Liabilities and Stockholders' Equity					
16	Accounts payable		78,083		346,686
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach sch.) SEE ST...8		100,382		78,094
19	Loans from stockholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach sch.)				
22	Capital stock: a Preferred stock				
b	Common stock	200,040	200,040	200,040	200,040
23	Additional paid-in capital				
24	Retained earnings - Appropriated				
25	Retained earnings - Unappropriated		5,118,420		4,855,795
26	Adjustments to shareholder's equity				
27	Less cost of treasury stock		()		()
28	Total liabilities and stockholders' equity		5,496,925		5,480,615

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See page 16 of instructions.)			
1	Net income (loss) per books	-262,625	7 Income recorded on books this year not included on this return (itemize):
2	Federal income tax		a Tax-exempt interest \$
3	Excess of capital losses over capital gains		STMT 10 134,516 134,516
4	Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize):
5	Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation \$
a	Depreciation \$ 81,124		b Contrib carryover \$
b	Contributions carryover \$ 100		STMT 11 21,415 21,415
c	Travel and entertainment ... \$ 2,850		9 Add lines 7 and 8
STATEMENT 9	31,200	115,274	10 Income (line 28, pg. 1) - line 6 less line 9
6	Add lines 1 through 5	-147,351	-303,282

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)			
1	Balance at beginning of year	5,118,420	5 Distributions: a Cash
2	Net income (loss) per books	-262,625	b Stock
3	Other increases (itemize):		c Property
			6 Other decreases (itemize):
			7 Add lines 5 and 6
4	Add lines 1, 2, and 3	4,855,795	8 Balance at end of year (line 4 less line 7) .
			4,855,795

Form 4797

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

1998

Attachment
Sequence No. 27

Name(s) shown on return

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

Identifying number

98-0018893

- 1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1998 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 10, or 20

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Property Held More Than 1 Year

(a) Desc. of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) GAIN or LOSS Subtract (f) from the sum of (d) and (e)	(h) 28% RATE GAIN or (LOSS) * (see inst. below)
SEE STATEMENT 13						-37,346	

- 3 Gain, if any, from Form 4684, line 39
- 4 Section 1231 gain from installment sales from Form 6252, line 28 or 37
- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
- 6 Gain, if any, from line 32, from other than casualty or theft

3

4

5

6

- 7 Combine lines 2 through 6 in columns (g) and (h). Enter gain or (loss) here, and on the appropriate line as follows:

7

-37,346

Partnerships – Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 6. Skip lines 8, 9, 11, and 12 below.

S corporations – Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 9, 11, and 12 below, unless line 7, column (g) is a gain and the S corporation is subject to the capital gains tax.

All others – If line 7, column (g) is zero or a loss, enter that amount on line 11 below and skip lines 8 and 9. If line 7, column (g) is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain (loss) in each column as a long-term capital gain or (loss) on Schedule D and skip lines 8, 9, and 12 below.

- 8 Nonrecaptured net section 1231 losses from prior years (see instructions)

8

- 9 Subtract line 8 from line 7. For column (g) only, if the result is zero or less, enter -0-.

9

0

Enter here and on the appropriate line(s) as follows (see instructions):

S corporations – Enter only the gain in column (g) on Schedule D (Form 1120S), line 14 and skip lines 11 and 12 below.

All others – If line 9, column (g) is zero, enter the gain from line 7, column (g) on line 12 below. If line 9, column (g) is more than zero, enter the amount from line 8, column (g) on line 12 below, and enter the gain or (loss) in each column of line 9 as a long-term capital gain or (loss) on Schedule D.

* Corporations (other than S corporation) should not complete column (h). Partnerships and S corporations must complete column (h). All others must complete column (h) only if line 7, column (g), is a gain. Use column (h) only to report pre-1998 28% rate gain (or loss) from a 1997-98 fiscal year partnership or S corporation.

Part II Ordinary Gains and Losses

- 10 Ordinary gains and losses not included on lines 11 through 17 (include property held 1 year or less):

LEASEHOLD IMPROVEMENTS						
4/30/99	4/30/99			8,930	-8,930	

- 11 Loss, if any, from line 7, column (g)
- 12 Gain, if any, from line 7, column (g) or amount from line 8, column (g) if applicable
- 13 Gain, if any, from line 31
- 14 Net gain or (loss) from Form 4684, lines 31 and 38a
- 15 Ordinary gain from installment sales from Form 6252, line 25 or 36
- 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824

11

-37,346

12

13

14

15

16

- 17 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)

17

- 18 Combine lines 10 through 17 in column (g). Enter gain or (loss) here, and on the appropriate line as follows:

18

-46,276

- a For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.

- b For individual returns:

- (1) If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22. Identify as from "Form 4797, line 18b(1)." See instructions

18b(1)

- (2) Redetermine the gain or (loss) on line 18, excluding the loss, if any, on line 18b(1). Enter here and on Form 1040, line 14

18b(2)

KFA For Paperwork Reduction Act Notice, see separate instructions.

Form 4797 (1998)

Depreciation and Amortization

OMB No. 1545-0172

(Including Information on Listed Property)

1998

Attach. Seq. No. 67

See separate instructions.

Attach this form to your return.

Name(s) shown on return SUN MOTOYAMA INT'L GUAM, INC.	Business or activity to which this form relates SALES	Identifying number 98-0018893
--	--	----------------------------------

Part I Election To Expense Certain Tangible Property (Section 179) (NOTE: If you have any "Listed Property," complete Part V before you complete Part I.)

1	Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions	1	18500.00
2	Total cost of section 179 property placed in service. See page 2 of the instructions	2	20767.50
3	Threshold cost of section 179 property before reduction in limitation	3	200000.00
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.00
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions	5	18500.00
(a) Description of property		(b) Cost (business use only)	(c) Elected cost
6		0.00	0.00
7	Listed property. Enter amount from line 27	7	0.00
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	0.00
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	0.00
10	Carryover of disallowed deduction from 1997. See page 3 of the instructions	10	0.00
11	Business income limitation. Enter the smaller of business income or line 5 (see instructions)	11	18500.00
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0.00
13	Carryover of disallowed deduction to 1999. Add lines 9 and 10, less line 12	13	0.00

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1998 Tax Year
(Do Not Include Listed Property.)**Section A - General Asset Account Election**

- 14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions ☐

Section B - General Depreciation System (GDS) (See page 3 of the instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15 a 3-year property		0.00	3.0 yrs	HY	200DB	0.00
b 5-year property		20767.50	5.0 yrs	HY	200DB	4153.50
c 7-year property		0.00	7.0 yrs	HY	200DB	0.00
d 10-year property		0.00	10.0 yrs	HY	200DB	0.00
e 15-year property		0.00	15.0 yrs	HY	150DB	0.00
f 20-year property		0.00	20.0 yrs	HY	150DB	0.00
g 25-year property		0.00	25.0 yrs	HY	S/L	0.00
h Residential rental property		0.00	27.5 yrs	MM	S/L	0.00
		0.00	27.5 yrs	MM	S/L	0.00
i Nonresidential real property	(attachment)	27394.50	39.0 yrs	MM	S/L	355.08
		0.00				0.00

Section C - Alternative Depreciation System (ADS) (See page 5 of the instructions.)

16 a Class life		0.00			S/L	0.00
b 12-year		0.00	12.0 yrs		S/L	0.00
c 40-year		0.00	40.0 yrs	MM	S/L	0.00

Part III Other Depreciation (Do Not Include Listed Property) (See page 6 of the instructions.)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1998	17	12242.77
18 Property subject to section 168(f)(1) election	18	0.00
19 ACRS and other depreciation	19	0.00

Part IV Summary (See page 6 of the instructions.)

20 Listed property. Enter amount from line 26	20	1418.69
21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	18170.04
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	0.00

KGA For Paperwork Reduction Act Notice, see the separate instructions.

Form 4562 (1998)

Part V Listed Property--Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A--Depreciation and Other Information (Caution: See page 8 of the instructions for limits for passenger automobiles.)

23a Do you have evidence to support the business use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No		23b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No						
(a) Type of property	(b) Placed in service	(c) Bus. use %	(d) Cost or other basis	(e) Basis for depreciation	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
24 Property used more than 50% in a qualified business use (See page 7 of the instructions.):								
			0.00	0.00			0.00	0.00
			0.00	0.00			0.00	0.00
(attachment)			30388.00	8329.00			1418.69	0.00
25 Property used 50% or less in a qualified business use (See page 7 of the instructions.):								
			0.00	0.00			0.00	
			0.00	0.00			0.00	
			0.00	0.00			0.00	
26 Add amounts in column (h). Enter the total here and on line 20, page 1							1418.69	
27 Add amounts in column (i). Enter the total here and on line 7, page 1								0.00

Section B--Information on Use of Vehicles

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
28 Total business/investment miles driven during the year (DO NOT include commuting miles)						
29 Total commuting miles driven during the year						
30 Total other personal (noncommuting) miles driven						
31 Total miles driven during the year. Add lines 28 through 30						
	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?						
33 Was the vehicle used primarily by a more than 5% owner or related person?						
34 Is another vehicle available for personal use?						

Section C--Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 9 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use? See page 9 of instructions		

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Period or Pct	(f) Amortization for this year
40 Amortization of costs that begins during your 1998 tax year:					
		0.00			0.00
		0.00			0.00
41 Amortization of costs that began before 1998				41	3906.03
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				42	3906.03

KGA

Depreciation and Amortization
Attachment

15 General Depreciation System (GDS):

(a) Classification of property	(b) Date	(c) Basis for depreciation	(d) Rec period	(e) Con- vention	(f) Method	(g) Depreciation deduction
i Nonresidential	04/30/1999	8930.50	39	MM	S/L	0
i Nonresidential	01/14/1999	18464.00	39	MM	S/L	355
		----- 27394 =====				----- 355 =====

Depreciation and Amortization

Attachment

24 Property used more than 50% in a qualified business use:

(a)Type of property	(b)Placed in service	(c)Bus use %	(d)Cost or other Basis	(e)Basis for depreciation	(f)Recov period	(g)Method/ Convention	(h)Depreciation deduction	(i)Elected 179 cost
COMPAQ	01/01/97	100	1120.00	1120.00	05 00	MF200	215	0.00
COMPAQ COM	12/18/96	100	6343.00	3564.00	05 00	MF200	684	0.00
CPU BACK-U	03/01/97	100	1295.00	1295.00	05 00	MF200	249	0.00
EPSON CPU	06/29/94	100	1875.00	0.00	05 00	MF200	0	0.00
EPSON PRIN	01/12/94	100	800.00	0.00	05 00	MF200	0	0.00
NEC READY	06/29/94	100	450.00	0.00	05 00	MF200	0	0.00
OTHER - EP	01/26/96	100	1500.00	0.00	05 00	MF200	0	0.00
OTHER - HP	02/27/96	100	7190.00	0.00	05 00	MF200	0	0.00
OTHER - HP	04/26/96	100	3155.00	645.00	05 00	MF200	74	0.00
OTHER - HP	01/26/96	100	1750.00	0.00	05 00	MF200	0	0.00
OTHER - HP	07/29/96	100	1705.00	1705.00	05 00	MF200	196	0.00
TOSHIBA MU	11/01/97	100	3205.00	0.00	05 00	MF200	0	0.00
			-----	-----			-----	-----
			30388	8329			1419	0
			=====	=====			=====	=====

Foreign Tax Credit - Corporations

OMB No. 1545-0122

Form 1118

(Rev. January 1998)

Internal Revenue Service
Department of the Treasury

▶ Attach to the corporation's tax return.

For calendar year

, or other tax year beginning

8/01, 1998, and ending

7/31, 1999

Name of corporation

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

Employer identification number

98-0018893

Complete this form for credit for taxes paid on the categories of income listed below. See page 2 of the instructions for descriptions. Also, see Specific Instructions on page 5.
Important: Complete a SEPARATE Form 1118 for each applicable income category. Check only one box on each form.

- ☒ Passive Income ☐ Dividends from a DISC or Former DISC ☐ General Limitation Income
- ☐ High Withholding Tax Interest ☐ Taxable Income Attributable To Foreign Trade Income ☐ Section 901(g) Income: Name of Sanctioned Country ▶
- ☐ Financial Services Income ☐ Certain Distributions From a FSC or Former FSC ☐ Income Re-sourced by Treaty: Name of Country ▶
- ☐ Shipping Income ☐ Dividends From Each Noncontrolled Section 902 Corporation: ☐

Name of Foreign Corporation ▶

Country of Incorporation ▶

Income or (Loss) Before Adjustments (Report all amounts in U.S. dollars. See Specific Instructions on page 5.)

1. Foreign Country or U.S. Possession (Enter two-letter code from page 11 of instr.) Use a separate line for each.)	2. Deemed Dividends (see instr.) (a) Exclude gross-up	3. Other Dividends (b) Gross-up (sec. 78) (c) Exclude gross-up (d) Gross-up (sec. 78)	4. Interest	5. Gross Rents, Royalties, and License Fees	6. Gross Income From Performance of Services	7. Other (attach schedule)	8. Total (add columns 2a through 7)
A GU			154,378				154,378
B							
C							
D							
E							
F							
G							
Totals (add lines A thru G)			154,378				154,378

* For section 853(b) income, use a single line and enter "853(b)".

Deductions (INCLUDE Foreign Branch Deductions here and on Schedule F)

9. Definitely Allocable Deductions					10. Apportioned Share of Deductions Not Definitely Allocable (enter amount from applicable line of Schedule H, Part II, column (d))	11. Total Deductions (add columns 9(e) and 10)	12. Total Income or (Loss) Before Adjustments (subtract column 11 from column 8)
Rental, Royalty, and Licensing Expenses	(e) Other Expenses	(e) Expenses Related to Gross Income From Performance of Services	(e) Other Definitely Allocable Deductions	(e) Total Definitely Allocable Deductions (add columns 9a through 9d)			
(f) Depreciation, Depletion, and Amortization							154,378
A							
B							
C							
D							
E							
F							
G							
Totals							154,378

KFA For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form 1118 (Rev. 1-98)

Foreign Tax Credit (Report all foreign tax amounts in U.S. dollars.)**Part I - Foreign Taxes Paid, Accrued, and Deemed Paid (See page 5 of instructions.)**

1. Credit is Claimed for Taxes:		2. Foreign Taxes Paid or Accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used)						3. Tax Deemed Paid (from Schedule C - Part I, column 10, Part II, column 8(b), and Part III, column 8)	
<input checked="" type="checkbox"/> Paid	<input type="checkbox"/> Accrued	Tax Withheld at Source on:							
Date Paid	Date Accrued	(a) Dividends	(b) Interest	(c) Rents, Royalties, and License Fees	(d) Section 863(b) Income	(e) Foreign Branch Income	(f) Services Income	(g) Other	(h) Total Foreign Taxes Paid or Accrued (add columns 2a through 2g)
VARIOUS			20,627						20,627
A									
B									
C									
D									
E									
F									
Totals (add lines A through G)			20,627						20,627

Part II - Separate Credit Limitation (Complete a separate Part II for each applicable category of income.)

1 Total foreign taxes paid or accrued (total from Part I, column 2(h))	20,627	
2 Total taxes deemed paid (total from Part I, column 3)		
3 Reductions of taxes paid, accrued, or deemed paid (enter total from Schedule G)		
4 Total carryover of foreign taxes (attach schedule showing computation in detail - see page 6 of the instructions)		
5 Total foreign taxes (combine lines 1 through 4)	20,627	
6 Enter the amount from the applicable column of Schedule J, Part I, line 11. (See instructions.) If Schedule J is not required to be completed, enter the result from the "Totals" line of column 12 of the applicable Schedule A		154,378
7a Total taxable income from all sources (enter taxable income from the corporation's tax return)	-303,282	
b Adjustments to line 7a. (See page 6 of instructions.)		
c Subtract line 7b from line 7a		-303,282
d Divide line 6 by line 7c. Enter the resulting fraction as a decimal. (See instructions.) If line 6 is greater than line 7c, enter 1		
9 Total U.S. income tax against which credit is allowed (regular tax liability (see section 26(b)) minus possessions tax credit determined under section 836 or 30A)		
10 Credit limitation (multiply line 8 by line 9). (See page 6 of instructions.)		

Separate foreign tax credit (enter the smaller of line 5 or line 10 here and on the appropriate line of Part III)**Part III - Summary of Separate Credit Limitations (Enter amounts from Part I, line 11 for each applicable income category. Do not complete for section 801(g) income.)**

1 Credit for taxes on passive income	
2 Credit for taxes on high withholding tax interest	
3 Credit for taxes on financial services income	
4 Credit for taxes on shipping income	
5 Credit for taxes on dividends from each noncontrolled section 902 corporation (combine all such credits on this line)	
6 Credit for taxes on dividends from a DISC or former DISC	
7 Credit for taxes on taxable income attributable to foreign trade income	
8 Credit for taxes on certain distributions from a FSC or former FSC	
9 Credit for taxes on General Limitation Income	
10 Credit for taxes on income re-sourced by treaty (combine all such credits on this line)	
11 Total (add lines 1 through 10)	
12 Reduction in credit for international boycott operations (see page 6 of instructions)	
13 Total foreign tax credit (subtract line 12 from line 11). Enter here and on the appropriate line of the corporation's tax return	

ALTERNATIVE MINIMUM TAX

Foreign Tax Credit - Corporations

OMB No. 1545-0122

Form 1118

(Rev. January 1999)

Internal Revenue Service
Department of the Treasury

For calendar year

, or other tax year beginning

8/01, 1998, and ending

7/31, 1999

Name of corporation

SUN MOTORYAMA INTERNATIONAL GUAM, INC.

Employer identification number

98-0018893

Complete this form for credit for taxes paid on the categories of income listed below. See page 2 of the instructions for descriptions. Also, see Specific Instructions on page 5.
Important: Complete a SEPARATE Form 1118 for each applicable income category. Check only one box on each form.

- ☒ Passive income
☐ High Withholding Tax Interest
☐ Financial Services Income
☐ Shipping Income

- ☐ Dividends from a DISC or Former DISC
☐ Taxable Income Attributable To Foreign Trade Income
☐ Certain Distributions From a FSC or Former FSC
☐ Dividends From Each Noncontrolled Section 902 Corporation:

- ☐ General Limitation Income
☐ Section 901(j) Income: Name of Sanctioned Country
☐ Income Re-sourced by Treaty: Name of Country

Name of Foreign Corporation

Country of Incorporation

Income or (Loss) Before Adjustments (Report all amounts in U.S. dollars. See Specific Instructions on page 5.)

Gross Income or (Loss) From Sources Outside the United States (INCLUDE Foreign Branch Gross Income here and on Schedule F)

1. Foreign Country or U.S. Possession (Enter two-letter code from page 11 of instr.; Use a separate line for each.)	2. Deemed Dividends (see instr.)		3. Other Dividends		4. Interest	5. Gross Rents, Royalties, and License Fees	6. Gross Income From Performance of Services	7. Other (attach schedule)	8. Total (add columns 2a through 7)
	(a) Exclude gross-up	(b) Gross-up (sec. 78)	(a) Exclude gross-up	(b) Gross-up (sec. 78)					
A	GQ				154,378				154,378
B									
C									
D									
E									
F									
G									
Totals (add lines A thru G)					154,378				154,378

* For section 853(b) income, use a single line and enter "853(b)."

Deductions (INCLUDE Foreign Branch Deductions here and on Schedule F)

9. Definitely Allocable Deductions					10. Apportioned Share of Deductions Not Definitely Allocable (enter amount from applicable line of Schedule H, Part II, column (d))	11. Total Deductions (add columns 9(e) and 10)	12. Total Income or (Loss) Before Adjustments (subtract column 11 from column 8)
Rental, Royalty, and Licensing Expenses	(a) Depreciation, Depletion, and Amortization	(b) Other Expenses	(c) Expenses Related to Gross Income From Performance of Services	(d) Other Definitely Allocable Deductions	(e) Total Definitely Allocable Deductions (add columns 9a through 9d)		
A							154,378
B							
C							
D							
E							
F							
G							
Totals							154,378

KFA For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form 1118 (Rev. 1-99)

Foreign Tax Credit (Report all foreign tax amounts in U.S. dollars.)

Part I - Foreign Taxes Paid, Accrued, and Deemed Paid (See page 5 of instructions.)

1. Credit is Claimed for Taxes:		2. Foreign Taxes Paid or Accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used)					3. Tax Deemed Paid (from Schedule C - Part I, column 10, Part II, column 8(b), and Part III, column 8)		
<input checked="" type="checkbox"/> Paid	<input type="checkbox"/> Accrued	Tax Withheld at Source on:							
Date Paid	Date Accrued	(a) Dividends	(b) Interest	(c) Rents, Royalties, and License Fees	(d) Section 863(c) Income	(e) Foreign Branch Income	(f) Services Income	(g) Other	(h) Total Foreign Taxes Paid or Accrued (add columns 2a through 2g)
A	VARIOUS		20,627						20,627
B									
C									
D									
E									
Totals (add lines A through G)			20,627						20,627

Part II - Separate Credit Limitation (Complete a separate Part II for each applicable category of income.)

1	Total foreign taxes paid or accrued (total from Part I, column 2(f))	20,627	
2	Total taxes deemed paid (total from Part I, column 3)		
3	Reductions of taxes paid, accrued, or deemed paid (enter total from Schedule G)	()	
4	Total carryover of foreign taxes (attach schedule showing computation in detail - see page 6 of the instructions) SEE STATEMENT 14	4,763	25,390
5	Total foreign taxes (combine lines 1 through 4)		
6	Enter the amount from the applicable column of Schedule J, Part I, line 11. (See instructions.) If Schedule J is not required to be completed, enter the result from the "Totals" line of column 12 of the applicable Schedule A		154,378
7a	Total taxable income from all sources (enter taxable income from the corporation's tax return)	-305,774	
b	Adjustments to line 7a. (See page 6 of instructions.)		
c	Subtract line 7b from line 7a.		-305,774
8	Divide line 6 by line 7c. Enter the resulting fraction as a decimal. (See instructions.) If line 6 is greater than line 7c, enter 1		
9	Total U.S. income tax against which credit is allowed (regular tax liability (see section 26(b)) minus possessions tax credit determined under section 936 or 30A)		
10	Credit limitation (multiply line 8 by line 9). (See page 6 of instructions.)		
Separate foreign tax credit (enter the smaller of line 5 or line 10 here and on the appropriate line of Part III)			

Part III - Summary of Separate Credit Limitations (Enter amounts from Part I, line 11 for each applicable income category. Do not complete for section 901(j) income.)

1	Credit for taxes on passive income	
2	Credit for taxes on high withholding tax interest	
3	Credit for taxes on financial services income	
4	Credit for taxes on shipping income	
5	Credit for taxes on dividends from each noncontrolled section 902 corporation (combine all such credits on this line)	
6	Credit for taxes on dividends from a DISC or former DISC	
7	Credit for taxes on taxable income attributable to foreign trade income	
8	Credit for taxes on certain distributions from a FSC or former FSC	
9	Credit for taxes on General Limitation Income	
10	Credit for taxes on income re-sourced by treaty (combine all such credits on this line)	
11	Total (add lines 1 through 10)	
12	Reduction in credit for international boycott operations (see page 6 of instructions)	
13	Total foreign tax credit (subtract line 12 from line 11). Enter here and on the appropriate line of the corporation's tax return	

Alternative Minimum Tax – Corporations

OMB No. 1545-0175

Department of the Treasury
Internal Revenue Service▶ See separate instructions.
▶ Attach to the corporation's tax return.

1998

Name

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

Employer identification number

98-0018893

1	Taxable income or (loss) before net operating loss deduction	1	-303,282
2	Adjustments and preferences:		
a	Depreciation of post-1986 property	2a	-1,838
b	Amortization of certified pollution control facilities	2b	
c	Amortization of mining exploration and development costs	2c	
d	Amortization of circulation expenditures (personal holding companies only)	2d	
e	Adjusted gain or loss SEE STATEMENT 12	2e	-64
f	Long-term contracts	2f	
g	Installment sales	2g	
h	Merchant marine capital construction funds	2h	
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i	
j	Tax shelter farm activities (personal service corporations only)	2j	
k	Passive activities (closely held corporations and personal service corporations only)	2k	
l	Loss limitations	2l	
m	Depletion	2m	
n	Tax-exempt interest from specified private activity bonds	2n	
o	Intangible drilling costs	2o	
p	Accelerated depreciation of real property (pre-1987)	2p	
q	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2q	
r	Other adjustments	2r	
s	Combine lines 2a through 2r	2s	-1,902
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 and 2s	3	-305,184
4	Adjusted current earnings (ACE) adjustment:		
a	Enter the corporation's ACE from line 10 of the worksheet on page 11 of the instructions	4a	-305,971
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see examples beginning on page 5 of the instructions)	4b	-787
c	Multiply line 4b by 75% (.75). Enter the result as a positive amount	4c	590
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see page 6 of the instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	4d	17,537
e	ACE adjustment:		
	● If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount.	4e	-590
	● If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount.		
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax	5	-305,774
6	Alternative tax net operating loss deduction (see page 6 of the instructions)	6	
7	Alternative minimum taxable income. Subtract line 6 from line 5 If the corporation held a residual interest in a REMIC, see page 6 of the instructions	7	-305,774

For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (1998)

8	Enter the amount from line 7 (alternative minimum taxable income)	8	-305,774
9	Exemption phase-out computation (If line 8 is \$310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):		
a	Subtract \$150,000 from line 8 (if you are completing this line for a member of a controlled group, see page 7 of the instructions). If zero or less, enter -0-	9a	0
b	Multiply line 9a by 25% (.25)	9b	
c	Exemption. Subtract line 9b from \$40,000 (if you are completing this line for a member of a controlled group, see page 7 of the instructions). If zero or less, enter -0-	9c	0
10	Subtract line 9c from line 8. If zero or less, enter -0-	10	0
11	Multiply line 10 by 20% (.20)	11	
12	Alternative minimum tax foreign tax credit. See page 7 of the instructions	12	
13	Tentative minimum tax. Subtract line 12 from line 11	13	0
14	Regular tax liability before all credits except the foreign tax credit and possessions tax credit	14	0
15	Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9). If zero or less, enter -0-	15	0

Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 6).

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626	1	-305,184
2	ACE depreciation adjustment:		
a	AMT depreciation	2a	20,008
b	ACE depreciation:		
(1)	Post-1993 property	2b(1)	16,496
(2)	Post-1989, pre-1994 property	2b(2)	3,121
(3)	Pre-1990 MACRS property	2b(3)	1,178
(4)	Pre-1990 original ACRS property	2b(4)	
(5)	Property described in sections 168(f)(1) through (4)	2b(5)	
(6)	Other property	2b(6)	
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)	20,795
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a	2c	-787
3	Inclusion in ACE of items included in earnings and profits (E&P):		
a	Tax-exempt interest income	3a	
b	Death benefits from life insurance contracts	3b	
c	All other distributions from life insurance contracts (including surrenders)	3c	
d	Inside buildup of undistributed income in life insurance contracts	3d	
e	Other items (see Regulations sections 1.56(g) - 1(c)(6)(iii) through (ix) for a partial list)	3e	
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e	3f	0
4	Disallowance of items not deductible from E&P:		
a	Certain dividends received	4a	
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b	
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c	
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d	
e	Other items (see Regulations sections 1.56(g) - 1(d)(3)(i) and (ii) for a partial list)	4e	
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e	4f	0
5	Other adjustments based on rules for figuring E&P:		
a	Intangible drilling costs	5a	
b	Circulation expenditures	5b	
c	Organizational expenditures	5c	
d	LIFO inventory adjustments	5d	
e	Installment sales	5e	
f	Total other E&P adjustments. Combine lines 5a through 5e	5f	0
6	Disallowance of loss on exchange of debt pools	6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts	7	
8	Depletion	8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property	9	
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626	10	-305,971

**Information Return of a 25% Foreign-Owned U.S. Corporation
or a Foreign Corporation Engaged in a U.S. Trade or Business**

OMB No. 1545-0005

Department of the Treasury
Internal Revenue Service

(Under Sections 6038A and 6038C of the Internal Revenue Code)
For tax year of the reporting corporation beginning 8/01, 19 98, and ending 7/31, 19 99
Note: Enter all information in the English and money items in U.S. dollars.

Part I Reporting Corporation (See instructions.) All reporting corporations must complete Part I.

1a Name of reporting corporation SUN MOTOYAMA INTERNATIONAL GUAM, INC.		1b Employer identification number 98-0018893
Number, street, and room or suite no. (if a P.O. box, see instructions) P.O. BOX 8139		1c Total assets \$ 5,480,615
City, state or province, ZIP or postal code, and country TAMUNING, GU 96931		1d Principal business activity SALES
1e Total value of gross payments made or received (see instructions) \$ 713,496	1f Total number of Forms 5472 filed for the tax year 3	1g Check here if this is a consolidated filing of Form 5472 <input type="checkbox"/>
1h Country of incorporation GUAM	1i Country(ies) under whose laws the reporting corporation files an income tax return as a resident GUAM	1j Principal country(ies) where business is conducted GUAM

Part II 25% Foreign Shareholder (See instructions.)

1a Name and address of direct 25% foreign shareholder INTERNATIONAL SUN MOTOYAMA CO., LTD. 3-6-2 RINAKAICHO EDOGAWA-KU, TOKYO, JAPAN		1b U.S. identifying number, if any N/A
1c Principal country(ies) where business is conducted JAPAN	1d Country of citizenship, organization, or incorporation JAPAN	1e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident JAPAN
2a Name and address of direct 25% foreign shareholder SAITUREX INVEST S.A. 5 BOULEVARD ROYAL, ROYAL ROOM, L-2449 LUXEMBOURG		2b U.S. identifying number, if any N/A
2c Principal country(ies) where business is conducted LUXEMBOURG	2d Country of citizenship, organization, or incorporation LUXEMBOURG	2e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident LUXEMBOURG
3a Name and address of ultimate indirect 25% foreign shareholder		3b U.S. identifying number, if any
3c Principal country(ies) where business is conducted	3d Country of citizenship, organization, or incorporation	3e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident
4a Name and address of ultimate indirect 25% foreign shareholder		4b U.S. identifying number, if any
4c Principal country(ies) where business is conducted	4d Country of citizenship, organization, or incorporation	4e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident

Part III Related Party (See instructions.)

Check applicable box: Is the related party a ☒ foreign person or ☐ U.S. person?
All reporting corporations must complete this question and the rest of Part III.

1a Name and address of related party INTERNATIONAL SUN MOTOYAMA CO., LTD. 3-6-2 RINAKAICHO EDOGAWA-KU, TOKYO, JAPAN		1b U.S. identifying number, if any N/A
		1c Principal business activity RETAIL/WHOLESALE
1d Relationship - Check boxes that apply: <input type="checkbox"/> Related to reporting corporation <input type="checkbox"/> Related to 25% foreign shareholder <input checked="" type="checkbox"/> 25% foreign shareholder		
1e Principal country(ies) where business is conducted JAPAN	1f Country(ies) under whose laws the related party files income tax rtn. as a resident JAPAN	

Part IV Monetary Transactions Between Reporting Corporations and Foreign Related PartyIf reasonable estimates are used, check here ☐ (See instructions.)

1 Sales of stock in trade (inventory)	1	0
2 Sales of tangible property other than stock in trade	2	0
3 Rents and royalties received (for other than intangible property rights)	3	0
4 Sales, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	4	0
5 Consideration received for technical, managerial, engineering, construction, scientific, or like services	5	0
6 Commissions received	6	0
7 Amounts borrowed (see instr.) a Beginning balance <u>50,000</u> b Ending balance or monthly average ▶	7b	317,513
8 Interest received	8	0
9 Premiums received for insurance or reinsurance	9	0
10 Other amounts received (see instructions)	10	0
11 Total. Combine amounts on lines 1 through 10	11	317,513
12 Purchases of stock in trade (inventory)	12	317,513
13 Purchases of tangible property other than stock in trade	13	0
14 Rents and royalties paid (for other than intangible property rights)	14	0
15 Purchases, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	15	0
16 Consideration paid for technical, managerial, engineering, construction, scientific, or like services	16	0
17 Commissions paid	17	0
18 Amounts loaned (see instructions) a Beginning balance <u>12,470</u> b Ending balance or monthly average ▶	18b	12,470
19 Interest paid	19	0
20 Premiums paid for insurance or reinsurance	20	0
21 Other amounts paid (see instructions)	21	66,000
22 Total. Combine amounts on lines 12 through 21	22	395,983

Part V Describe All Nonmonetary and Less-Than-Full Consideration Transactions Between the Reporting Corporation and the Foreign Related Party(Attach separate sheet and check here. ☐ (See instructions.)**Part VI Additional Information**

All reporting corporations must complete Part VI.

- 1 Does the reporting corporation import goods from a foreign related party? ☒ Yes ☐ No
- 2a If "Yes," is the basis or inventory costs of the goods valued at greater than the customs value of the imported goods? ☐ Yes ☒ No
If "No," do not complete the rest of Part VI.
- b If "Yes," attach a statement explaining the reason or reasons for such difference.
- c If the answers to questions 1 and 2a are "Yes," were the documents used to support this treatment of the imported goods in existence and available in the United States at the time of filing Form 5472? ☐ Yes ☐ No

**Information Return of a 25% Foreign-Owned U.S. Corporation
or a Foreign Corporation Engaged in a U.S. Trade or Business**

OMB No. 1545-0805

(Under Sections 6038A and 6038C of the Internal Revenue Code)

Department of the Treasury
Internal Revenue Service

For tax year of the reporting corporation beginning 8/01, 19 98, and ending 7/31, 19 99

Note: Enter all information in the English and money items in U.S. dollars.

Part I Reporting Corporation (See instructions.) All reporting corporations must complete Part I.

1a Name of reporting corporation SUN MOTOYAMA INTERNATIONAL GUAM, INC.		1b Employer identification number 98-0018893
Number, street, and room or suite no. (if a P.O. box, see instructions) P.O. BOX 8139		1c Total assets \$ 5,480,615
City, state or province, ZIP or postal code, and country TAMUNING, GU 96931		1d Principal business activity SALES
1e Total value of gross payments made or received (see instructions) \$ 1,194,374	1f Total number of Forms 5472 filed for the tax year 3	1g Check here if this is a consolidated filing of Form 5472 <input type="checkbox"/>
1h Country of incorporation GUAM	1i Country(ies) under whose laws the reporting corporation files an income tax return as a resident GUAM	1j Principal country(ies) where business is conducted GUAM

Part II 25% Foreign Shareholder (See instructions.)

1a Name and address of direct 25% foreign shareholder INTERNATIONAL SUN MOTOYAMA CO., LTD. 3-6-2 RINAKAICHO EDOGAWA-KU, TOKYO, JAPAN		1b U.S. identifying number, if any N/A
1c Principal country(ies) where business is conducted JAPAN	1d Country of citizenship, organization, or incorporation JAPAN	1e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident JAPAN
2a Name and address of direct 25% foreign shareholder SAITUREX INVEST S.A. 5 BOULEVARD ROYAL, ROYAL ROOM, L-2449 LUXEMBOURG		2b U.S. identifying number, if any N/A
2c Principal country(ies) where business is conducted LUXEMBOURG	2d Country of citizenship, organization, or incorporation LUXEMBOURG	2e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident LUXEMBOURG
3a Name and address of ultimate indirect 25% foreign shareholder		3b U.S. identifying number, if any
3c Principal country(ies) where business is conducted	3d Country of citizenship, organization, or incorporation	3e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident
4a Name and address of ultimate indirect 25% foreign shareholder		4b U.S. identifying number, if any
4c Principal country(ies) where business is conducted	4d Country of citizenship, organization, or incorporation	4e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident

Part III Related Party (See instructions.)

Check applicable box: Is the related party a ☒ foreign person or ☐ U.S. person?
All reporting corporations must complete this question and the rest of Part III.

1a Name and address of related party MERCURY U.S.A., INC. 693 KAWAIAHAO ST., HONOLULU, HAWAII 96813		1b U.S. identifying number, if any 99-0278124
		1c Principal business activity SALES
1d Relationship - Check boxes that apply: <input type="checkbox"/> Related to reporting corporation <input checked="" type="checkbox"/> Related to 25% foreign shareholder <input type="checkbox"/> 25% foreign shareholder		
1e Principal country(ies) where business is conducted U.S.A.	1f Country(ies) under whose laws the related party files income tax rtn. as a resident U.S.A.	

Part V Monetary Transactions Between Reporting Corporations and Foreign Related PartyIf reasonable estimates are used, check here ☐ (See instructions.)

1	Sales of stock in trade (inventory)	1	0
2	Sales of tangible property other than stock in trade	2	0
3	Rents and royalties received (for other than intangible property rights)	3	0
4	Sales, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	4	0
5	Consideration received for technical, managerial, engineering, construction, scientific, or like services	5	0
6	Commissions received	6	0
7	Amounts borrowed (see instr.) a Beginning balance b Ending balance or monthly average ▶	7b	0
8	Interest received	8	81,464
9	Premiums received for insurance or reinsurance	9	0
10	Other amounts received (see instructions)	10	0
11	Total. Combine amounts on lines 1 through 10	11	81,464
12	Purchases of stock in trade (inventory)	12	0
13	Purchases of tangible property other than stock in trade	13	0
14	Rents and royalties paid (for other than intangible property rights)	14	0
15	Purchases, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	15	0
16	Consideration paid for technical, managerial, engineering, construction, scientific, or like services	16	0
17	Commissions paid	17	0
18	Amounts loaned (see instructions) a Beginning balance 699,256 b Ending balance or monthly average ▶	18b	1,112,910
19	Interest paid	19	0
20	Premiums paid for insurance or reinsurance	20	0
21	Other amounts paid (see instructions)	21	0
22	Total. Combine amounts on lines 12 through 21	22	1,112,910

Part V Describe All Nonmonetary and Less-Than-Full Consideration Transactions Between the Reporting Corporation and the Foreign Related Party(Attach separate sheet and check here. ☐ (See instructions.)**Part VI Additional Information**

All reporting corporations must complete Part VI.

- 1 Does the reporting corporation import goods from a foreign related party? ☐ Yes ☒ No
- 2a If "Yes," is the basis or inventory costs of the goods valued at greater than the customs value of the imported goods? ☐ Yes ☐ No
If "No," do not complete the rest of Part VI.
- b If "Yes," attach a statement explaining the reason or reasons for such difference.
- c If the answers to questions 1 and 2a are "Yes," were the documents used to support this treatment of the imported goods in existence and available in the United States at the time of filing Form 5472? ☐ Yes ☐ No

**Information Return of a 25% Foreign-Owned U.S. Corporation
or a Foreign Corporation Engaged in a U.S. Trade or Business**

OMB No. 1545-0005

(Under Sections 6038A and 6038C of the Internal Revenue Code)

For tax year of the reporting corporation beginning 8/01, 19 98, and ending 7/31, 19 99

Department of the Treasury
Internal Revenue Service

Note: Enter all information in the English and money items in U.S. dollars.

Part I Reporting Corporation (See instructions.) All reporting corporations must complete Part I.

1a Name of reporting corporation SUN MOTOYAMA INTERNATIONAL GUAM, INC.		1b Employer identification number 98-0018893
Number, street, and room or suite no. (if a P.O. box, see instructions) P.O. BOX 8139		1c Total assets \$ 5,480,615
City, state or province, ZIP or postal code, and country TAMUNING, GU 96931		1d Principal business activity SALES
1e Total value of gross payments made or received (see instructions) \$ 836,274	1f Total number of Forms 5472 filed for the tax year 3	1g Check here if this is a consolidated filing of Form 5472 <input type="checkbox"/>
1h Country of incorporation GUAM	1i Country(ies) under whose laws the reporting corporation files an income tax return as a resident GUAM	1j Principal country(ies) where business is conducted GUAM

Part II 25% Foreign Shareholder (See instructions.)

1a Name and address of direct 25% foreign shareholder INTERNATIONAL SUN MOTOYAMA CO., LTD. 3-6-2 RINAKAICHO EDOGAWA-KU, TOKYO, JAPAN		1b U.S. identifying number, if any N/A
1c Principal country(ies) where business is conducted JAPAN	1d Country of citizenship, organization, or incorporation JAPAN	1e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident JAPAN
2a Name and address of direct 25% foreign shareholder SAITUREX INVEST S.A. 5 BOULEVARD ROYAL, ROYAL ROOM, L-2449 LUXEMBOURG		2b U.S. identifying number, if any N/A
2c Principal country(ies) where business is conducted LUXEMBOURG	2d Country of citizenship, organization, or incorporation LUXEMBOURG	2e Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident LUXEMBOURG
3a Name and address of ultimate indirect 25% foreign shareholder		3b U.S. identifying number, if any
3c Principal country(ies) where business is conducted	3d Country of citizenship, organization, or incorporation	3e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident
4a Name and address of ultimate indirect 25% foreign shareholder		4b U.S. identifying number, if any
4c Principal country(ies) where business is conducted	4d Country of citizenship, organization, or incorporation	4e Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident

Part III Related Party (See instructions.)

Check applicable box: Is the related party a ☒ foreign person or ☐ U.S. person?

All reporting corporations must complete this question and the rest of Part III.

1a Name and address of related party PLOWDEN (HONG KONG) LTD. RM 316, 3F HANKOW CENTRE, 5-15 HANKOW RD, T.S.T., KOWLOON		1b U.S. identifying number, if any N/A
		1c Principal business activity SALES
1d Relationship - Check boxes that apply: <input type="checkbox"/> Related to reporting corporation <input checked="" type="checkbox"/> Related to 25% foreign shareholder <input type="checkbox"/> 25% foreign shareholder		
1e Principal country(ies) where business is conducted HONG KONG	1f Country(ies) under whose laws the related party files income tax rtn. as a resident HONG KONG	

Part IX Monetary Transactions Between Reporting Corporations and Foreign Related PartyIf reasonable estimates are used, check here ☐ (See instructions.)

1 Sales of stock in trade (inventory)	1	0
2 Sales of tangible property other than stock in trade	2	0
3 Rents and royalties received (for other than intangible property rights)	3	0
4 Sales, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	4	0
5 Consideration received for technical, managerial, engineering, construction, scientific, or like services	5	0
6 Commissions received	6	0
7 Amounts borrowed (see instr.) a Beginning balance _____ b Ending balance or monthly average ▶	7b	0
8 Interest received	8	73,524
9 Premiums received for insurance or reinsurance	9	0
10 Other amounts received (see instructions)	10	0
11 Total. Combine amounts on lines 1 through 10	11	73,524
12 Purchases of stock in trade (inventory)	12	0
13 Purchases of tangible property other than stock in trade	13	0
14 Rents and royalties paid (for other than intangible property rights)	14	0
15 Purchases, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas)	15	0
16 Consideration paid for technical, managerial, engineering, construction, scientific, or like services	16	0
17 Commissions paid	17	0
18 Amounts loaned (see instructions) a Beginning balance <u>1,521,541</u> b Ending balance or monthly average ▶	18b	762,750
19 Interest paid	19	0
20 Premiums paid for insurance or reinsurance	20	0
21 Other amounts paid (see instructions)	21	0
22 Total. Combine amounts on lines 12 through 21	22	762,750

Part V Describe All Nonmonetary and Less-Than-Full Consideration Transactions Between the Reporting Corporation and the Foreign Related Party(Attach separate sheet and check here. ☐ (See instructions.)**Part VI Additional Information**

All reporting corporations must complete Part VI.

- 1 Does the reporting corporation import goods from a foreign related party? ☐ Yes ☒ No
- 2a If "Yes," is the basis or inventory costs of the goods valued at greater than the customs value of the imported goods? ☐ Yes ☐ No
If "No," do not complete the rest of Part VI.
- b If "Yes," attach a statement explaining the reason or reasons for such difference.
- c If the answers to questions 1 and 2a are "Yes," were the documents used to support this treatment of the imported goods in existence and available in the United States at the time of filing Form 5472? ☐ Yes ☐ No

CLIENT 35117

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

98-001889

**STATEMENT 1
FORM 1120, LINE 5
INTEREST INCOME**

INTEREST INCOME	\$	256,176
TOTAL	\$	<u>256,176</u>

**STATEMENT 2
FORM 1120, LINE 10
OTHER INCOME**

FOREIGN EXCHANGE GAIN	\$	20,226
OTHER INCOME		47,110
TOTAL	\$	<u>67,336</u>

**STATEMENT 3
FORM 1120, LINE 17
TAXES AND LICENSES**

FICA	\$	29,628
GRT		54,036
OTHER TAXES		536
TOTAL	\$	<u>84,200</u>

**STATEMENT 4
FORM 1120, LINE 19
CHARITABLE CONTRIBUTIONS**

DONATIONS	\$	100
DISALLOWED CONTRIBUTIONS DUE TO 10% LIMIT		-100
TOTAL	\$	<u>0</u>

**STATEMENT 5
FORM 1120, LINE 26
OTHER DEDUCTIONS**

AMORTIZATION	\$	3,906
BANK CHARGES		23,263
COMMUNICATIONS		17,680
DUES AND SUBSCRIPTIONS		7,279
INSURANCE		62,487
LEGAL AND PROFESSIONAL		24,094
MEALS, ENTERTAINMENT, CERTAIN TRAVEL		2,850
MISCELLANEOUS		13,264
OFFICE EXPENSE		29,399
OUTSIDE SERVICES		15,200

CLIENT 35117

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

98-0016893

STATEMENT 5 (CONTINUED)
FORM 1120, LINE 26
OTHER DEDUCTIONS

POSTAGE	3,213
SUPPLIES	24,565
TRANSPORTATION	16,006
TRAVEL	34,103
UTILITIES	12,198
TOTAL	\$ 289,507

STATEMENT 6
FORM 1120, SCHEDULE L, LINE 6
OTHER CURRENT ASSETS

	BEGINNING	ENDING
GUAM INCOME TAX RECEIVABLE	\$ 322,000	\$ 381,143
INTEREST RECEIVABLE	0	25,660
NOTE RECEIVABLE - CURRENT	199,256	0
NOTES RECEIVABLE - SHORT TERM	1,000,000	1,100,000
OTHER ASSETS HELD FOR RESALE	0	317,513
PREPAID EXPENSES	181,762	81,042
TIME CERTIFICATE OF DEPOSIT	739,156	1,313,861
TOTAL	\$ 2,442,174	\$ 3,219,219

STATEMENT 7
FORM 1120, SCHEDULE L, LINE 14
OTHER ASSETS

	BEGINNING	ENDING
DEFERRED TAX ASSET	\$ 33,000	\$ 129,000
NOTES RECEIVABLE - LONG TERM	1,000,000	750,000
RENTAL DEPOSITS	38,305	38,305
TOTAL	\$ 1,071,305	\$ 917,305

STATEMENT 8
FORM 1120, SCHEDULE L, LINE 18
OTHER CURRENT LIABILITIES

	BEGINNING	ENDING
FICA TAX PAYABLE	\$ 1,106	\$ 8,802
GROSS RECEIPTS TAX	5,057	4,648
RETIREMENT PLAN PAYABLE	0	24,920
SALARIES PAYABLE	90,936	34,668
WITHHOLDING TAX PAYABLE	3,283	5,056
TOTAL	\$ 100,382	\$ 78,094

CLIENT 35147

SUN-MOTOYAMA INTERNATIONAL GUAM, INC.

88-0018853

STATEMENT 9
FORM 1120, SCHEDULE M-1, LINE 5
BOOK EXPENSES NOT DEDUCTED

ACCRUED BONUS NOT PAID AS OF 10/15/99	\$	30,000
CLUB MEMBERSHIP		1,200
TOTAL	\$	<u>31,200</u>

STATEMENT 10
FORM 1120, SCHEDULE M-1, LINE 7
BOOK INCOME NOT ON RETURN

GUAM INCOME TAX BENEFIT	\$	134,516
TOTAL	\$	<u>134,516</u>

STATEMENT 11
FORM 1120, SCHEDULE M-1, LINE 8
DEDUCTIONS NOT ON BOOKS

AMORTIZATION	\$	3,906
SALE OF ASSETS ADJUSTMENT		17,509
TOTAL	\$	<u>21,415</u>

STATEMENT 12
FORM 4626, LINE 2E
ADJUSTED GAIN OR LOSS

DESCRIPTION OF PROPERTY	DATE ACQUIRED	DATE SOLD	REG TAX ADJUSTED BASIS	AMT ADJUSTED BASIS	ADJUST- MENT
LEASEHOLD IMPROVEMENTS	VARIOUS	4/30/99	37,346	37,410	-64
					<u>\$ -64</u>

STATEMENT 13
FORM 4797
PART I - SALES OR EXCHANGES OF CERTAIN PROPERTY HELD MORE THAN ONE YEAR

DESCRIPTION OF PROPERTY	DATE ACQD.	DATE SOLD	SALES PRICE	DEPR. ALLOWED	COST OR BASIS	GAIN OR LOSS
CARPET	8/06/93	8/01/98		1,573	1,573	\$ 0
OFFICE CABINET	8/19/93	8/01/98		499	499	0
LEASEHOLD IMPROVEMENTS	VARIOUS	4/30/99		2,584	39,930	-37,346
					TOTAL	<u>\$ -37,346</u>

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

EIN: 98-0018893

FORM 1120

For the Year Ended July 31, 1999

STATEMENT 14

FOREIGN TAX CREDIT CARRYOVER:

<u>TAX PERIOD</u>	<u>FOREIGN TAXES PAID</u>	<u>AMOUNT USED IN PRIOR YEAR</u>	<u>AMOUNT USED IN CURRENT YEAR</u>	<u>AVAILABLE AMOUNT</u>
7/31/98	14,289	14,289		0
7/31/99	20,627		0	20,627
TOTAL				<u>20,627</u>

ALTERNATIVE MINIMUM TAX FOREIGN TAX CREDIT CARRYOVER:

<u>TAX PERIOD</u>	<u>FOREIGN TAXES PAID</u>	<u>AMOUNT USED IN PRIOR YEAR</u>	<u>AMOUNT USED IN CURRENT YEAR</u>	<u>AVAILABLE AMOUNT</u>
7/31/98	14,289	9,526		4,763
7/31/99	20,627		0	20,627
TOTAL				<u>25,390</u>

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

SYS No	Ext	In Svc Date	Acquired Value	Dep Meth	P Est T Life	Salvage/ Sect 179	Depreciable Basis	Prev Prior Accum Thru Depreciation	Depreciation This Run	Current Year to Date	Curr Accum Depreciation Key
Book: Tax FY: July											
000001	000	10/18/93	189	MF200	P 07 00	189	0 07/98	0	0	0	0 r
DISHWASHER, CONDO											
000002	000	11/01/89	10673	MF200	P 07 00	0	10673 07/99	10673	0	0	10673 s
5/90 F&F											
000003	000	11/30/90	4161	MF200	P 07 00	0	4161 07/98	4161	0	0	4161 s
5/91 7YR OFFICE F&F											
000004	000	08/01/90	26793	MF200	P 07 00	0	26793 07/98	26793	0	0	26793 s
ETRO #2 F&F											
000008	000	08/06/93	1573	MF200	P 07 00	1573	0 08/98	0	0	0	0 dr
CARPET INSTALL. CONDO											
000009	000	10/18/93	293	MF200	P 07 00	293	0 07/98	0	0	0	0 r
ELECTRIC RANGE, CONDO											
000010	000	08/19/93	499	MF200	P 07 00	499	0 08/98	0	0	0	0 dr
TOPPY'S OFFICE CABINET											
000011	000	07/05/95	3200	MF200	P 07 00	3200	0 07/98	0	0	0	0 r
SHELVING											
000012	000	07/18/95	3600	MF200	P 07 00	3600	0 07/98	0	0	0	0 r
OFFICE PARTITION											
000013	000	08/24/95	3450	MF200	P 07 00	3450	0 07/98	0	0	0	0 r
DRAWER CABINET (ETRO)											
000014	000	12/13/95	1100	MF200	P 07 00	1100	0 07/98	0	0	0	0 r
SHELVING UNIT											
000015	000	11/01/89	11048	MF200	P 05 00	0	11048 07/95	11048	0	0	11048 s
5/90 M&E											
000016	000	03/27/91	1125	MF200	P 05 00	0	1125 07/98	1125	0	0	1125 s
91 5 YR ASSETS											
000017	000	06/30/91	310	MF200	P 07 00	310	0 01/98	0	0	0	0 rs
MUSIC SYSTEM											
000018	000	10/31/91	970	MF200	P 07 00	714	256 07/98	241	15	15	256 rs
CELLULAR TELEPHONE											
000019	000	10/31/91	120	MF200	P 07 00	120	0 07/98	0	0	0	0 r
BINOCULARS											
000020	000	01/12/94	800	MF200	Q 05 00	800	0 07/98	0	0	0	0 r
EPSON PRINTER											
000021	000	06/29/94	1875	MF200	Q 05 00	1875	0 07/98	0	0	0	0 r
EPSON CPU A5801											
000022	000	06/29/94	450	MF200	Q 05 00	450	0 07/98	0	0	0	0 r
NEC READY MONITOR											
000027	000	11/29/93	927	MF150	P 31 05	927	0 07/98	0	0	0	0 r
TYPHOON SHUTTER, CONDO											
000031	000	06/16/96	16614	MF100	R 39 00	0	16614 07/98	905	426	426	1331
L/H IMP. - GUCCI											
000033	000	01/26/96	4300	MF100	R 39 00	0	4300 04/99	280	0	78	358 d
L/H IMP. - OFFICE											
000036	000	12/01/93	2126	MF200	P 07 00	2126	0 07/98	0	0	0	0 r
ASSESSMENT FEE, CONDO											
000037	000	01/26/96	1500	MF200	Q 05 00	1500	0 07/98	0	0	0	0 r

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

SYS No	Ext	In Svc Date	Acquired Value	Dep Meth	P Est T Life	Salvage/ Sect 179	Depreciable Basis	Prev Prior Accum Thru Depreciation	Depreciation Current Year This Run	Current Year to Date	Curr Accum Depreciation Key
OTHER - EPSON ETRO COMPUTER											
000038	000	01/26/96	1750	MF200	Q 05 00	1750	0 07/98	0	0	0	0 r
OTHER - HP VECTRA (GM COMPUTER)											
000039	000	02/27/96	7190	MF200	Q 05 00	7190	0 07/98	0	0	0	0 r
OTHER - HP COMPUTER (OFF/ETRO)											
000040	000	04/26/96	3155	MF200	Q 05 00	2510	645 07/98	459	74	74	534 r
OTHER - HP VECTRA											
000041	000	07/29/96	1705	MF200	Q 05 00	0	1705 07/98	1214	196	196	1410
OTHER - HP VECTRA (OFFICE)											
000042	000	02/01/96	6877	MF200	P 07 00	0	6877 07/98	3870	859	859	4729
OTHER FIXED ASSETS											
000043	000	12/31/90	839	SLMM	Z 05 00	0	839 07/98	839	0	0	839
5/91 SOFTWARE											
000046	000	08/12/96	2898	MF200	P 07 00	2898	0 07/98	0	0	0	0 r
EXEC. CHAIR, COMP. STAND, FILE CABINET											
000047	000	10/17/96	8000	MF200	P 07 00	8000	0 07/98	0	0	0	0 r
GM'S FURNITURE											
000048	000	02/24/97	1500	MF200	P 07 00	1500	0 07/98	0	0	0	0 r
CELLULAR											
000049	000	12/26/96	1160	MF200	P 07 00	1160	0 07/98	0	0	0	0 r
TELEVISION FOR CONDO											
000050	000	12/31/96	19795	MF100	R 27 06	0	19795 07/98	1037	720	720	1757
CONDOMINIUM											
000053	000	10/01/96	25234	MF100	R 39 00	0	25234 04/99	1159	0	458	1618 d
L/H IMP. - OFFICE											
000054	000	12/01/96	4476	MF100	R 39 00	0	4476 04/99	186	0	81	268 d
L/H IMP. - OFFICE											
000055	000	01/01/97	5920	MF100	R 39 00	0	5920 04/99	234	0	108	342 d
L/H IMP. - OFFICE											
000056	000	12/18/96	6343	MF200	Q 05 00	2779	3564 07/98	1853	684	684	2538 r
COMPAQ COMPUTERS (OFFICE/3)											
000057	000	09/01/96	1163	MF200	P 07 00	1163	0 07/98	0	0	0	0 r
SURVEYLANCE CAMERA											
000058	000	03/01/97	1295	MF200	Q 05 00	0	1295 07/98	673	249	249	922
CPU BACK-UP BATTERIES/POWER CONDITIONERS											
000059	000	01/01/97	1120	MF200	Q 05 00	0	1120 07/98	582	215	215	797
COMPAQ											
000060	000	01/01/97	11718	SLMM	Z 03 00	0	11718 07/98	6185	3906	3906	10091
PRO SERIES SOFTWARE											
000064	000	12/19/97	2349	MF200	P 07 00	2349	0 07/98	0	0	0	0 r
BEDROOM/DINING SET											
000065	000	01/13/98	1415	MF200	P 07 00	1415	0 07/98	0	0	0	0 r
LIVING ROOM SET											
000066	000	12/28/97	366752	MF100	R 39 00	0	366752 07/98	5877	9404	9404	15281
LEASEHOLD IMPROV - ETRO											
000067	000	03/31/98	3648	MF100	R 39 00	0	3648 07/98	35	94	94	129
ETRO LIGHT INSTALLATION											
000068	000	03/31/98	1970	MF200	P 07 00	1970	0 07/98	0	0	0	0 r

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

SYS No	Ext	In Svc Date	Acquired Value	Dep Meth	P Est T Life	Salvage/ Sect 179	Depreciable Basis	Prev Prior Accum Thru Depreciation	Depreciation This Run	Current Year to Date	Curr Accum Depreciation Key
ETRO OFFICE DESK											
000069	000	11/01/97	3205	MF200	Q 05 00	3205	0	07/98	0	0	0 r
TOSHIBA MULTIMEDIA NOTEBOOK											
G00070	000	01/14/99	18464	MF150	R 39 00	0	18464	00/00	0	355	355
RENOVATION											
000071	000	04/01/99	10805	MF200	P 05 00	0	10805	00/00	0	2161	2161
COMPUTER HARDWARE Y2K											
000072	000	04/01/99	9315	MF200	P 05 00	0	9315	00/00	0	1863	1863
COMPUTER SOFTWARE Y2K											
000073	000	02/01/99	648	MF200	P 05 00	0	648	00/00	0	130	130
HP PRINTER											
000074	000	04/30/99	8930	MF100	R 39 00	0	8930	04/99	0	0	0 d
LEASEHOLD IMPROV. - OFFICE											
Count= 34											
Grand Total											
			637336			60615	576721		79431	21351	101507
Less disposals and transfers											
			50933			2072	48861		1860		2585
Net											
			586403			58543	527860		77571	21351	98922

Calculation Assumptions

Book	Short Years	Midquarter Convention	Adjustment Convention
Tax	[N]	[N]	None

Asset Grouping/Sorting

Group: All FAS Assets

Include Assets that meet the following conditions:

All FAS Assets

Sort Assets by:

Key

r : Asset's acquired value has been reduced to arrive at depreciable basis.
s : Asset has switched from declining-balance to straight-line
d : Asset has been disposed of.

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

SYS No	Ext	In Svc Date	Acquired Value	Dep Meth	P Est T Life	Salvage/ Sect 179	Depreciable Basis	Prev Prior Accum Thru Depreciation	Depreciation This Run	Current Year to Date	Curr Accum Depreciation Key
Book: AMT FY: July											
000001	000	10/18/93	189	MF150	P 10 00	189	0 07/98	0	0	0	0 r
		DISHWASHER, CONDO									
000002	000	11/01/89	10673	MF150	P 10 00	0	10673 07/98	9333	893	893	10226 s
		5/90 F&F									
000003	000	11/30/90	4161	MF150	P 10 00	0	4161 07/98	3290	349	349	3638 s
		5/91 7YR OFFICE F&F									
000004	000	08/01/90	26793	MF150	P 10 00	0	26793 07/98	21178	2246	2246	23424 s
		ETRO #2 F&F									
000008	000	08/06/93	1573	MF150	P 10 00	1573	0 08/98	0	0	0	0 dr
		CARPET INSTALL. CONDO									
000009	000	10/18/93	293	MF150	P 10 00	293	0 07/98	0	0	0	0 r
		ELECTRIC RANGE, CONDO									
000010	000	08/19/93	499	MF150	P 10 00	499	0 08/98	0	0	0	0 dr
		TOPPY'S OFFICE CABINET									
000011	000	07/05/95	3200	MF150	P 10 00	3200	0 07/98	0	0	0	0 r
		SHELVING									
000012	000	07/18/95	3600	MF150	P 10 00	3600	0 07/98	0	0	0	0 r
		OFFICE PARTITION									
000013	000	08/24/95	3450	MF150	P 10 00	3450	0 07/98	0	0	0	0 r
		DRAWER CABINET (ETRO)									
000014	000	12/13/95	1100	MF150	P 10 00	1100	0 07/98	0	0	0	0 r
		SHELVING UNIT									
000015	000	11/01/89	11048	MF150	P 06 00	0	11048 07/98	11048	0	0	11048 s
		5/90 M&E									
000016	000	03/27/91	1125	MF150	P 06 00	0	1125 07/98	1125	0	0	1125 s
		91 5 YR ASSETS									
000017	000	06/30/91	310	MF150	P 10 00	310	0 07/98	0	0	0	0 r
		MUSIC SYSTEM									
000018	000	10/31/91	970	MF150	P 10 00	714	256 07/98	171	24	24	195 rs
		CELLULAR TELEPHONE									
000019	000	10/31/91	120	MF150	P 10 00	120	0 07/98	0	0	0	0 r
		BINOCULARS									
000020	000	01/12/94	800	MF150	Q 05 00	800	0 07/98	0	0	0	0 r
		EPSON PRINTER									
000021	000	06/29/94	1875	MF150	Q 05 00	1875	0 07/98	0	0	0	0 r
		EPSON CPU A5801									
000022	000	06/29/94	450	MF150	Q 05 00	450	0 07/98	0	0	0	0 r
		NEC READY MONITOR									
000027	000	11/29/93	927	MF150	P 40 00	927	0 07/98	0	0	0	0 r
		TYPHOON SHUTTER, CONDO									
000031	000	06/16/96	16614	ADS	R 40 00	0	16614 07/98	883	415	415	1298
		L/H IMP. - GUCCI									
000033	000	01/26/96	4300	ADS	R 40 00	0	4300 04/99	273	0	76	349 d
		L/H IMP. - OFFICE									
000036	000	12/01/93	2126	MF150	P 10 00	2126	0 07/98	0	0	0	0 r
		ASSESSMENT FEE, CONDO									
000037	000	01/26/96	1500	MF150	Q 05 00	1500	0 07/98	0	0	0	0 r

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

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OTHER - EPSON ETRO COMPUTER										
000038	000 01/26/96	1750	MF150	Q 05 00	1750	0 07/98	0	0	0	0 r
OTHER - HP VECTRA (GM COMPUTER)										
000039	000 02/27/96	7190	MF150	Q 05 00	7190	0 07/98	0	0	0	0 r
OTHER - HP COMPUTER (OFF/ETRO)										
000040	000 04/26/96	3155	MF150	Q 05 00	2510	645 07/98	376	107	107	484 rs
OTHER - HP VECTRA										
000041	000 07/29/96	1705	MF150	Q 05 00	0	1705 07/98	995	284	284	1279 s
OTHER - HP VECTRA (OFFICE)										
000042	000 02/01/96	6877	MF150	P 10 00	0	6877 07/98	2281	689	689	2970
OTHER FIXED ASSETS										
000043	000 12/31/90	839	SLMM	Z 05 00	0	839 07/98	839	0	0	839
5/91 SOFTWARE										
000046	000 08/12/96	2898	MF150	P 10 00	2898	0 07/98	0	0	0	0 r
EXEC. CHAIR, COMP. STAND, FILE CABINET										
000047	000 10/17/96	8000	MF150	P 10 00	8000	0 07/98	0	0	0	0 r
GM'S FURNITURE										
000048	000 02/24/97	1500	MF150	P 10 00	1500	0 07/98	0	0	0	0 r
CELLULAR										
000049	000 12/26/96	1160	MF150	P 10 00	1160	0 07/98	0	0	0	0 r
TELEVISION FOR CONDO										
000050	000 12/31/96	19795	ADS	R 40 00	0	19795 07/98	804	495	495	1299
CONDOMINIUM										
000053	000 10/01/96	25234	ADS	R 40 00	0	25234 04/99	1130	0	447	1577 d
L/H IMP. - OFFICE										
000054	000 12/01/96	4476	ADS	R 40 00	0	4476 04/99	182	0	79	261 d
L/H IMP. - OFFICE										
000055	000 01/01/97	5920	ADS	R 40 00	0	5920 04/99	228	0	105	333 d
L/H IMP. - OFFICE										
000056	000 12/18/96	6343	MF150	Q 05 00	2779	3564 07/98	1443	636	636	2080 r
COMPAQ COMPUTERS (OFFICE/3)										
000057	000 09/01/96	1163	MF150	P 10 00	1163	0 07/98	0	0	0	0 r
SURVEILLANCE CAMERA										
000058	000 03/01/97	1295	MF150	Q 05 00	0	1295 07/98	524	231	231	756
CPU BACK-UP BATTERIES/POWER CONDITIONERS										
000059	000 01/01/97	1120	MF150	Q 05 00	0	1120 07/98	454	200	200	654
COMPAQ										
000060	000 01/01/97	11718	SLMM	Z 03 00	0	11718 07/98	6185	3906	3906	10091
PRO SERIES SOFTWARE										
000064	000 12/19/97	2349	MF150	P 10 00	2349	0 07/98	0	0	0	0 r
BEDROOM/DINING SET										
000065	000 01/13/98	1415	MF150	P 10 00	1415	0 07/98	0	0	0	0 r
LIVING ROOM SET										
000066	000 12/28/97	366752	ADS	R 40 00	0	366752 07/98	5731	9169	9169	14899
LEASEHOLD IMPROV - ETRO										
000067	000 03/31/98	3648	ADS	R 40 00	0	3648 07/98	34	91	91	125
ETRO LIGHT INSTALLATION										
000068	000 03/31/98	1970	MF150	P 10 00	1970	0 07/98	0	0	0	0 r

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SUN MOTOYAMA INT'L GUAM, INC. DEPRECIATION EXPENSE REPORT

as of 07/31/1999

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ETRO OFFICE DESK											
000069	000	11/01/97	3205	MF150	Q 05 00	3205	0 07/98	0	0	0	0 r
TOSHIBA MULTIMEDIA NOTEBOOK											
000070	000	01/14/99	18464	MF150	R 39 00	0	18464 00/00	0	355	355	355
RENOVATION											
000071	000	04/01/99	10805	MF150	P 05 00	0	10805 00/00	0	1621	1621	1621
COMPUTER HARDWARE Y2K											
000072	000	04/01/99	9315	MF150	P 05 00	0	9315 00/00	0	1397	1397	1397
COMPUTER SOFTWARE Y2K											
000073	000	02/01/99	648	MF150	P 05 00	0	648 00/00	0	97	97	97
HP PRINTER											
000074	000	04/30/99	8930	MF100	R 39 00	0	8930 04/99	0	0	0	0 d
LEASEHOLD IMPROV. - OFFICE											
Count= 54											
Grand Total											
			637336			60615	576721	68508	23206	23914	92421
Less disposals and transfers											
			50933			2072	48861	1814			2521
Net											
			586403			58543	527860	66694	23206	23914	89901

Calculation Assumptions

Book	Short Years	Midquarter Convention	Adjustment Convention
AMT	[N]	[N]	None

Asset Grouping/Sorting

Group: All FAS Assets

Include Assets that meet the following conditions:

All FAS Assets

Sort Assets by:

Key

r : Asset's acquired value has been reduced to arrive at depreciable basis.
s : Asset has switched from declining-balance to straight-line
d : Asset has been disposed of.

Application for Automatic Extension of Time To File Corporation Income Tax Return

OMB No. 1545-0033

Department of the Treasury
Internal Revenue Service
Name of corporation

SUN MOTOYAMA INTERNATIONAL GUAM, INC.

Employer identification number

98-0018893

Number, street, and room or suite no. (if a P.O. box or outside the United States, see instructions.)

P.O. BOX 8139

City or town, state, and ZIP code

TAMUNING, GU 96931

Check type of return to be filed:

- | | | | | |
|---|--|--|---|---------------------------------------|
| <input checked="" type="checkbox"/> Form 1120 | <input type="checkbox"/> Form 1120-FSC | <input type="checkbox"/> Form 1120-ND | <input type="checkbox"/> Form 1120-REIT | <input type="checkbox"/> Form 1120-SF |
| <input type="checkbox"/> Form 1120-A | <input type="checkbox"/> Form 1120-H | <input type="checkbox"/> Form 1120-PC | <input type="checkbox"/> Form 1120-RIC | |
| <input type="checkbox"/> Form 1120-F | <input type="checkbox"/> Form 1120-L | <input type="checkbox"/> Form 1120-POL | <input type="checkbox"/> Form 1120S | |
| <input type="checkbox"/> Form 990-C | Note: Other 990 filers (i.e., Form 990, 990-EZ, 990-BL, 990-PF, and certain filers of Form 990-T (see instructions)) must use Form 2758 to request an extension of time to file. | | | |
| <input type="checkbox"/> Form 990-T | | | | |

Form 1120-F filers: Check here if you do not have an office or place of business in the United States ☐

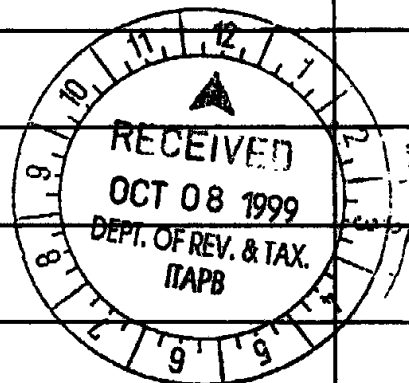
1a I request an automatic 6-month (or, for certain corporations, 3-month) extension of time until 4/15, 2000, to file the income tax return of the corporation named above for ☐ calendar year _____ or ☒ tax year beginning 8/01, 1998, and ending 7/31, 1999.

b If this tax year is for less than 12 months, check reason:

- ☐ Initial return ☐ Final return ☐ Change in accounting period ☐ Consolidated return to be filed

2 If this application also covers subsidiaries to be included in a consolidated return, complete the following:

Name and address of each member of the affiliated group	Employer identification number	Tax period



3 Tentative tax (see instructions).....		3	0
4 Credits:			
a Overpayment credited from prior year	4a	360,516	
b Estimated tax payments for the tax year	4b		
c Less refund for the tax year applied for on Form 4468	4c		
	4d	360,516	
e Credit for tax paid on undistributed capital gains (Form 2439)	4e		
f Credit for Federal tax on fuels (Form 4136)	4f		
5 Total. Add lines 4d through 4f	5	360,516	
6 Balance due. Subtract line 5 from line 3. Deposit this amount electronically or with a Federal Tax Deposit (FTD) Coupon (see instructions)	6	0	

Signature. - Under penalties of perjury, I declare that I have been authorized by the above-named corporation to make this application, and to the best of my knowledge and belief, the statements made are true, correct, and complete.

(Signature of officer or agent) **Joe M. Arnett**

Representative
(Title)

10/7/99
(Date)

For Paperwork Reduction Act Notice, see instructions.

Form **7004** (Rev. 7-98)

UNITED STATES DISTRICT COURT

District of GUAM

SAITUREX GUAM INVESTMENT CO. LTD.,)

Plaintiff,)

V.)

GOVERNMENT OF GUAM,)

Defendant.)

SUMMONS IN A CIVIL CASE

CASE NUMBER: **03-00045**

TO: (Name and address of Defendant) GOVERNMENT OF GUAM, Defendant
C/o Douglas B. Moylan
Attorney General of Guam
Office of the Attorney General
Guam Judicial Center, Suite 2-200E
120 West O'Brien Drive
Hagatna, GU 96910 U.S.A.

YOU ARE HEREBY SUMMONED and required to serve on PLAINTIFF'S ATTORNEY (name and address)

Carlos L. Taitano
Carlos Lujan Taitano, P.C.
La Casa de Colina, Third Floor
200 Chichirica Street
Tamuning (Tumon), GU 96913-4217

an answer to the complaint which is served on you with this summons, within sixty (60) days after service of this summons on you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint. Any answer that you serve on the parties to this action must be filed with the Clerk of this Court within a reasonable period of time after service.

ACKNOWLEDGED RECEIPT

By: 

Date: 12-29-03

MARY L. M. MORAN
Clerk Of Court

DEC 29 2003

CLERK

DATE

/s/ Walter M. Tenorio

(By) DEPUTY CLERK